

**CALENDAR ITEM
C51**

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04/06/11
W 26445
B. Terry

GENERAL LEASE – RIGHT OF WAY USE

APPLICANT:

Pacific Gas and Electric Company (PG&E)
350 Salem Street
Chico, CA 95928

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in the Yuba River, adjacent to Assessor's Parcel Numbers (APN) 018-240-003 and 018-240-039, near the city of Marysville, Yuba County and in the Bear River, adjacent to APN 016-140-003, 016-140-010, and 016-140-016, near the city of Marysville, Yuba and Sutter Counties.

AUTHORIZED USE:

Retention, reconstruction, use, and maintenance of an existing 115 kilovolt (kV) overhead transmission line to an all-aluminum cable conductor as shown on the attached Exhibit A.

LEASE TERM:

25 years, beginning April 6, 2011.

CONSIDERATION:

\$2,035 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Liability insurance in the amount of no less than \$5,000,000. Applicant may satisfy all or part of the insurance requirements through maintenance of a self-insurance program as outlined in the lease.

OTHER PERTINENT INFORMATION:

1. Applicant has the right to use the uplands adjoining the lease premises.
2. PG&E maintains and operates an overhead electrical 115-kV transmission line known as the Palermo-East Nicolaus transmission line. The

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transmission line runs from the Palermo Substation near Oroville to East Nicolaus Substation, south of Marysville. The transmission line is approximately 40 to 45 miles long and was originally placed in the early 1900's. Two segments of the transmission line make an aerial crossing over the Yuba and Bear Rivers, which are within the jurisdiction of the Commission. This transmission line has not been previously authorized by the Commission. PG&E submitted an application for a General Lease – Right of Way Use for the retention, reconstruction, use, and maintenance of the existing overhead transmission line.

3. The overhead transmission line is a double-circuit tower line that carries two individual 115-kV circuits between the Palermo and East Nicolaus substation. Over the years, the line has degraded and cannot handle the energy demand. PG&E is proposing to replace both circuits of the line with a new "1113" all-aluminum cable conductor. The new cable conductor would enable an increase in the existing rating of the lines and eliminate forecasted line overloads.
4. Replacement of the overhead transmission line crossing the Yuba and the Bear Rivers will be accomplished by using a helicopter. No construction will occur within either of the riverbeds or banks and no equipment will enter the waterway. Neither bank will be disturbed and no activities will occur within levee prisms for either river. No other improvements are or will be placed on lands under the jurisdiction of the Commission.
5. A Mitigated Negative Declaration SCH# 2010082014 was prepared and adopted for this project by the Public Utilities Commission on November 18, 2010. Staff has reviewed this document. A Mitigation Monitoring Program was adopted by the Public Utilities Commission.
6. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq., but such activity will not affect those significant lands. Based upon staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS REQUIRED:

U.S. Army Corps of Engineers, California Department of Fish and Game, State Water Resources Control Board, Central Valley Regional Water Quality Board, Central Valley Flood Protection Board, California Department of Transportation, Butte County, Sutter County, Yuba County, Butte County Air Quality District,

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Feather River Air Quality District, City of Marysville, City of Oroville, and Western Pacific/Union Pacific Railroad.

EXHIBITS:

- A. Site and Location Map
- B. Land Description

PERMIT STREAMLINING ACT DEADLINE:

October 23, 2011

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that a Mitigated Negative Declaration SCH# 2010082014 and a Mitigation Monitoring Program were prepared and adopted on November 18, 2010 for this project by the Public Utilities Commission and that the Commission has reviewed and considered the information contained therein. Adopt the Mitigation Monitoring Program, as contained on file in the Sacramento office of the California State Lands Commission.

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code sections 6370, et seq.

AUTHORIZATION:

Authorize issuance of a General Lease – Right of Way Use to Pacific Gas and Electric Company beginning April 6, 2011, for a term of 25 years, for the retention, reconstruction, use, and maintenance of an existing 115-kV overhead transmission line to a “1113” all aluminum cable conductor, as shown on Exhibit A (for reference purposes only) and described in Exhibit B attached and by this reference made a part hereof; annual rent in the amount of \$2,035, with the State reserving the right to fix a different rent periodically during the Lease term, as provided in the Lease; and liability insurance with coverage of no less than \$5,000,000; Applicant may satisfy all or part of the insurance requirements through maintenance of a self-insurance program as outlined in the lease.